



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: June 22, 2010

TO: Mayor and Councilmembers

FROM: Planning Division, Community Development Department

SUBJECT: Introduction Of Medical Marijuana Storefront Collective Dispensary Ordinance

RECOMMENDATION:

That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Amending the Municipal Code by Revising Chapter 28.80 and Establishing Revised Regulations and Procedures for Medical Marijuana Storefront Collective Dispensaries.

DISCUSSION:

Over the last number of months, the City Council, Ordinance Committee, and Planning Commission have held numerous meetings and public hearings on possible revisions to the Medical Cannabis Dispensary Ordinance.

Most recently, on May 18, 2010, the City Council held a public hearing on the proposed ordinance, and voted 5-2 to move forward with the introduction of a proposed ordinance with the following changes and additions:

1. Prohibit storefront dispensaries from operating within the Downtown East and Downtown West areas.
2. Change the allowable block faces where storefront dispensaries may be permitted to be consistent with a 600-foot radius around schools.
3. Limit collective membership to Santa Barbara County residents where the collective chooses to operate a storefront dispensary.
4. The permit approval process will be a Staff Hearing Officer decision that is appealable to the Planning Commission, then appealable to Council.
5. The hours of operation for storefront dispensaries: 8:00am-6:00pm M-Sat, closed on Sunday.

On June 15, 2010, the City Council held a public hearing but did not introduce the ordinance as proposed. Instead, Council continued the item to the June 22nd agenda and directed staff, by a vote of 6-1, to return with a revised ordinance which included the following revisions:

- Allow a total of three storefront collectives citywide including existing dispensaries which have been previously permitted where their location is allowed by the new ordinance;
- All dispensaries which are non-conforming with the revised ordinance must be amortized over a 180 day period from the effective date of the ordinance unless they were approved under the City's March 2008 ordinance and are in a conforming location per the proposed ordinance. In effect, all dispensaries will have to close or move to a conforming location within 180 days of the effective date.

In addition, the City Council directed staff to return on June 29, 2010 with a companion resolution calling a special City election on the regularly scheduled statewide election date of November 2, 2010 for voter consideration and possible approval of an ordinance which would ban the operation of all storefront medical marijuana dispensaries in the City. Staff understands that Council super-majority support for the proposed Council adopted ordinance is contingent upon the placement of such a ballot measure on the November ballot, and has added an additional section to the proposed ordinance to that effect.

BUDGET/FINANCIAL INFORMATION:

The City will charge an hourly rate for the processing of Medical Marijuana Dispensary Permits, so that the full cost of processing the permits and for each annual review will be covered.

According to the County Elections Office, the cost to add one ballot measure to the general municipal election on November 2, 2010 is approximately \$40,000 to \$50,000. These monies will have to be taken from the appropriated reserve proposed as part of the Fiscal Year 2011 budget.

PREPARED BY: Danny Kato, Senior Planner

SUBMITTED BY: Paul Casey, Assistant City Administrator

APPROVED BY: City Administrator's Office